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APPLICATION OF SOUTHWESTERN §  
ELECTRIC POWER COMPANY FOR §  
AUTHORITY TO CHANGE RATES §

PUBLIC UTILITY COMMISSION  
OF TEXAS  
FILE NO. 51415

**EASTMAN CHEMICAL COMPANY'S FIRST REQUESTS  
FOR INFORMATION TO SOUTHWESTERN ELECTRIC POWER COMPANY**

Eastman Chemical Company ("Eastman") requests that you answer and provide information in response to the attached questions under oath. Eastman further requests that you answer the questions in the order in which they are asked with as much detail so as to fully present all of the relevant facts.

**Instructions**

Please answer the attached questions on separate pages and copy the question immediately above the answer to each question. Following each answer, please identify the witness or witnesses who will sponsor each of your answers at the hearing in this PUC Docket No. 51415. These questions are continuing in nature and, should there be a change in circumstances that would modify or change any of your answers, then, in such case, please change or modify such answer and submit such changed answer as a supplement to the original answer within five (5) working days of your discovery that such change or modification is appropriate.

In answering these requests for information, you are requested to furnish such information as is available to you, including information which you are able to obtain by due diligence from your present or former attorneys, accountants, investigators, consultants, employees, agents, and persons acting on your behalf. To the extent any information responsive to a general question is also responsive to another more specific question, provide the information in response to the more specific request.

To the extent any question calls for you to provide documents, furnish such documents in native format, with all formulas intact.

If you are unable to answer any request fully and completely after exercising due diligence to make inquiry and to secure information, you are to answer such request as fully and completely as you can and to specify the portions which you are unable to answer in such request. In addition to specifying those portions, you are to state with regard to each portion:

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- (1) The fact on which you base the contention that you are unable to answer that portion;
- (2) The knowledge, information, and belief you have concerning that portion; and
- (3) The acts done and inquiries made by you in attempting to answer such request.

The singular includes the plural and the plural includes the singular.

Masculine, feminine, or neuter pronouns do not exclude the other genders.

The words “document” and “documents” have the broadest meaning that can be ascribed to them pursuant to the Texas Rules of Civil Procedure. Among other things, the words “document” and “documents” mean the final form and **all drafts and revisions of any kind** of written or graphic matter, original or reproduced copy, however produced or reproduced, of any kind and of every kind, and all copies there from that are different in any way from the original regardless of whether designated “confidential,” “privileged,” or otherwise restricted. Without limiting the generality of the foregoing, the words “document” and “documents” also include information stored or maintained on, or which could be reproduced from, any form of physical or electronic storage or storage device including, without limitation, film, microfilm, computer printout, disk or diskette, magnetic tape, cassette, phonographic disc, videotape, compact disk, DVD, or similar means.

The words “and” and “or” shall be construed conjunctively or disjunctively as necessary to bring within each request all documents which might otherwise be construed as outside its scope.

The words “communication” and “communications” include, without limitation of their generality, both written and oral: statements, representations, discussions, conversations, speeches, meetings, remarks, questions, answers, panel discussions and symposia. These words include, without limitation of their generality, both communications and statements that are face-to-face and those that are transmitted by any writing or document or by media of any kind. These words also include any communications and statements that are transmitted electronically or wirelessly, through means such as, but not limited to, email or text messages.

The words “identify” and “identification,” when used with respect to a natural person or persons, mean to state the name, address(es) and telephone number(s) of each such person. If any of the foregoing information is not available, state any other available means of identifying such person.

The words “identify” and “identification,” when used in reference to a person other than a natural person, mean to set forth its:

- (1) full name or title;
- (2) nature or organization, including the state under which the same was organized or incorporated;
- (3) address and telephone number (with area code prefix); and
- (4) principal line of business.

If any of the foregoing information is not available, state any other available means of identifying such person.

The words “identify” and “describe,” when used in reference to a fact, mean to state not only the fact itself, but also:

- (1) its date, time, and place;
- (2) the name, address, and telephone number of each person with knowledge of the fact;
- (3) whether the act is supported by an oral communication, a document, or other event; and
- (4) any other evidence that supports such fact.

The words “identify” and “identification,” when used in reference to a document, mean to state:

- (1) its date;
- (2) its author;
- (3) its addressee;
- (4) the type of document (e.g., letter, memorandum, receipt, invoice, schedule, report, telegram, chart, photograph, etc.); and
- (5) its present location and identity of its custodian. If any document was, but is no longer, in your possession, custody, or control, or is no longer in existence, explain why.

If any of the foregoing information is not available, state any other available means of identifying such document. If a document is one of a series of pages contained in a book, pamphlet, binder, folder, microfilm (or other storage device), include in your identification of such document(s) any available numerical reference (or other aid) to the pages and line or other portion thereof at which

the information referred to can be found. A true and correct copy of any document may be produced and filed with your Answers hereto in lieu of the above information.

The words “identify” and “describe,” when used with respect to an oral communication, mean:

- (1) to state the substance of each such oral communication;
- (2) to state the exact words used by each person participating in the oral communication;
- (3) to identify each speaker;
- (4) to identify each person present at the making or reception of such oral communication;
- (5) to specify the date, time, and place of each oral communication;
- (6) to identify each person repeating such oral communication;
- (7) to identify every document which records, memorializes, or relates to all or part of such communication; and
- (8) to identify the mode of such communication (e.g., telephone, face-to-face, etc.).

The words “person” and “persons” as used herein, mean all individuals and entities, and shall be deemed to include natural persons, firms, partnerships, associations, organizations, joint ventures, corporations, and any other entities.

The words “relate,” “related,” “relates,” and “relating,” as used herein, mean involving, relating to, referring to, having any relationship to, pertaining to, evidencing or constituting evidence of, in whole or in part.

All computer readable data should be provided on CD ROMs or DVDs for use on PC-compatible machines. Eastman will provide a sufficient amount of CDs or DVDs if requested by you before time for your response.

If you have any question concerning the attached Questions or any of these instructions, please contact Katherine Mudge at (512) 615-1233.

Unless the specific question permits a longer time period, answers to this Request for Information should be served on Eastman and filed with the Public Utility Commission of Texas within 20 calendar days of your receipt of said request. Service on Eastman should be made as follows:

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Katherine K. Mudge  
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**Respectfully submitted,**

**Eastman Chemical Company**  
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By: 

**ATTORNEYS FOR EASTMAN  
CHEMICAL COMPANY**

**CERTIFICATE OF SERVICE**

It I certify that a copy of this document was served by electronic mail, on all parties of record in this proceeding on March 8, 2021, in accordance with the Orders Suspending Rules, issued in Project No. 50664.



Katherine K. Mudge

### **ADDITIONAL DEFINITIONS**

1. The words “SWEPCO,” “Company,” “you,” “your,” and “yours” refer to Southwestern Electric Power Company and any and all of its attorneys, employees, consultants, contractors, or representatives.
2. “PUC” or “Commission” means the Public Utility Commission of Texas.
3. “DG” means distributed generation.
4. “BTMG” means behind the meter generation.
5. “Eastman” means SWEPCO’s customer, Eastman Chemical Company.

## QUESTIONS

**EASTMAN 1-1** In SWEPCO's last rate case before the Arkansas Public Service Commission, Docket No. 19008-U, *In the Matter of the Application of Southwest Electronic Power Company for Approval of a General Change in Rates and Tariffs* ("APSC Docket No. 19008-U"), provide the following information and/or documents:

- a. Provide a detailed explanation of SWEPCO's position regarding the treatment of retail Behind the Meter Generation ("BTMG") as it impacts the allocation and recovery of transmission costs by SWEPCO in Arkansas.
- b. Provide SWEPCO's rationale for the position and treatment of the BTMG in the Arkansas rate case and a copy of all testimony and workpapers related to SWEPCO's position.
- c. Provide an explanation of whether and/or how the Arkansas Public Service Commission addressed the retail BTMG issue and document the manner in which this issue was addressed in APSC Docket No. 19008-U by providing relevant excerpts from the final order and/or settlement agreement in that proceeding.

**EASTMAN 1-2** In Public Service Company of Oklahoma's ("PSO") last rate case before the Oklahoma Corporation Commission, Cause No. PUD 2018000097, *Application of Public Service Company of Oklahoma, an Oklahoma Corporation, For An Adjustment in its Rates and Charges and the Electric Service Rules, Regulations and Conditions of Electric Service in the State of Oklahoma and To Approve a Performanced Based Rate Proposal* ("Cause No. PUD 2018000097"), provide the following information and/or documents:

- a. Provide a detailed explanation of PSO's position regarding the treatment of retail BTMG as it impacts the allocation and recovery of transmission costs by PSO in Oklahoma.
- b. Provide PSO's rationale for the position and treatment of the BTMG in the Oklahoma rate case and a copy of all testimony and workpapers related to PSO's position.
- c. Provide the settlement agreement, decision and/or order from the Oklahoma Corporation Commission with respect to the retail BTMG issue and document the manner in which this issue was addressed in Cause No. PUD 2018000097 by providing relevant excerpts from the final order and/or settlement agreement in that proceeding.



**EASTMAN 1-3** Referring to the Direct Testimony of SWEPCO witness Jennifer Jackson at page 23, lines 4-16:

- a. Provide a detailed explanation about how SWEPCO's per unit combined Commercial and Industrial ("C&I") class transmission revenue requirement is reflective of the per unit transmission cost that SWEPCO incurs to serve Eastman's specific load on the SWEPCO system. Provide all documents supporting the position and explanation.
- b. Provide a detailed explanation as to the basis for Ms. Jackson's statement that 50% of the class functional demand cost is recovered in the reservation backup charge. Provide all documents supporting the position and explanation.
- c. Provide a detailed explanation that demonstrates that recovering 50% of the per unit combined C&I transmission revenue requirement through the proposed synchronized self-generation rate will result in a rate that is consistent with cost causation principles which dictate that cost incurrence for transmission costs is driven by the actual customer demands imposed at the time of the system peak.

**EASTMAN 1-4** Referring to SWEPCO's response to Texas Industrial Energy Consumers ("TIEC") Request for Information No. 6-4:

- a. Provide a detailed explanation and all supporting workpapers in native Excel format for the analysis performed by John O. Aaron that produced the \$5.7 million estimated cost for behind the meter load.
- b. Provide a detailed explanation why the proposed synchronized self-generate rate produces rate revenues that do not match the \$5.7 million cost estimate developed as described in RFI 1-4(a) above.
- c. In responding to 1-4(b) above, provide a detailed explanation as to why it is appropriate to assign the resulting difference in costs and revenues to the LLP class.
- d. Provide the workpapers supporting the determination of the transmission portion of the backup and maintenance rates in native Excel format.
- e. With respect to the transmission portion of the backup and maintenance rate, provide a detailed explanation as to why it is appropriate to calculate the synchronized self-generation rate in a manner that is consistent with the design of the backup and maintenance rates.
- f. Provide a detailed explanation as to why the design of the synchronized self-generation rate on the basis of per unit NCP kW transmission costs is consistent with cost causation principles.

**EASTMAN 1-5** Provide a copy of all documents, including, but not limited to all correspondence, presentations, documents, workpapers, and notes of telephonic or in person conversations, between SWEPCO and the Southwest Power Pool regarding the change in retail behind-the-meter charges.